

JUSTIFICATION AND APPROVAL
FOR EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a Firm-Fixed-Price (FFP) Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC) for Hewlett Packard (HP) brand name hardware needed for enhancement and expansion of the existing network infrastructure used for the Veterans Informatics and Computing Infrastructure (VINCI) program. Additionally, installation of the hardware and maintenance support for the hardware and ancillary software are required. The Period of Performance (PoP) for this DO is sixty (60) days from date of award to account for the delivery and installation of the hardware at the Austin Information Technology Center (AITC.)
3. Description of Supplies or Services: The proposed action is for the purchase and installation of brand name components comprising the VINCI program, specifically, HP Network Attached Storage (NAS) 9720, HP DL380G7 Small Form Figure Chassis, Configure to Order (SFF CTO) Chassis Server Special Bundle # 3, HP DL380G7 SFF CTO Chassis Server Special Bundle # 2, HP DL380G7 SFF CTO Chassis Server Special Bundle # 1, HP DL580R07(E7) CTO Chassis Server Special Bundle #3, and Fusion IO Disks. The VINCI program resides in the Austin Information and Technology Center (AITC) in Texas and is tightly coupled with the Corporate Data Warehouse (CDW) through both hardware and software, which also utilizes HP products. The required expansion of the existing network infrastructure used for the VINCI program is part of the research and development collaborative program between Veterans Health Administration Health Systems Research and Development (VHA HSR&D) and the Office of Information Technology (OIT) Enterprise Operations and Field Development (EOFD). The proposed action is necessary to expand and enhance the current VINCI program. The VINCI program is an enterprise cloud computing (an architecture in which the users remotely access computing resources typically exposed as virtual machines), development, and data storage environment at the AITC in Texas. The current infrastructure is comprised of fifty-four (54) servers (both blade and rack-mount chassis), three (3) Storage Area Network (SAN) arrays, which is an enclosure containing hard disks configured as "logical" disk drives, and an integral tape backup system due to the large amount of data maintained in the VINCI program. A SAN is made up of one or more arrays. All of these components of the VINCI program are manufactured by HP. This proposed expansion includes the HP NAS 9720, HP DL380G7 SFF CTO Chassis Server Special Bundle # 3, HP DL380G7 SFF CTO Chassis Server Special Bundle # 2, HP DL380G7 SFF CTO Chassis Server Special Bundle # 1, HP DL580R07(E7) CTO Chassis Server Special Bundle #3, and Fusion IO Disks, as well as standard five (5) year, 24X7 on site support with Disk Retention enterprise monitoring software which is provided standard with each server purchase. This support is essential to ensure compatability and service including very specific

items such as drivers and firmware upgrades, which third party suppliers do not have access to. These components must be fully compatible with the existing HP components used in the VINCI program. The VINCI program is based on a virtualized environment in which "logical" computers are dynamically created from a homogeneous set of physical computers. The standard software components, which are already installed in the hardware, required under this proposed action, which will monitor the health of the physical computers, manage the virtualization, provide the data storage connectivity, provide failover, and perform data backups, require full compatibility between the existing hardware and the expansion hardware. Additionally, maintenance support is required to ensure the hardware and software remain operational. The total estimated price of this proposed action is [REDACTED]

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 253(c)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. Rationale Supporting Use of Authority Cited Above: Based on extensive market research, as described in paragraph 8 of this document, it was determined that limited competition is viable among HP's authorized resellers for these brand name items and services. The proposed action specifies that HP brand name items be provided in order to expand and enhance the existing VINCI program. Market research conducted in January 2012 of the only other manufacturers of similar products, Dell Inc. and IBM Corporation, showed that their computers and storage arrays are not interchangeable or compatible with the existing HP hardware and software in the VINCI program. This interchangeability and interoperability encompasses more than hardware performance specifications: computers must expose the same low-level driver configurations so that the same "images" can be used to create the virtual machines (logical computers) across the entire server infrastructure; hardware monitoring and maintenance software (for both computers and storage arrays) must also have consistent functionality across the existing and proposed hardware. Additionally, the heterogeneous VINCI program that would result from mixing hardware from different manufacturers would increase the risk of system failures, and such failures would stop the efforts of approximately 1,000 researchers estimated to be using the VINCI program. This increased risk of system failure is the result of two (2) factors: (1) systems from different manufacturers will be required to interconnect using low-level drivers that have not been certified by either manufacturer to work together, and (2) the smaller number of components (computers and storage) represented by each manufacturer provides for a reduced set of failover options (plug-and-play) within each of the systems. Based on the Program Manager's experience with similar environments, when such failures occur, having to involve multiple manufacturers to identify the cause and resolve it results in longer system down time and increased loss of productivity due to each manufacturer having limited access to its set of servers due to the proprietary data. Any source that provides the aforementioned services must have access to HP's proprietary data; therefore only HP

or an authorized reseller can provide the services. Firmware upgrades, remote and onboard diagnostics are proprietary and not released to the general public, and the ability to analyze detailed crash dumps and machine codes requires a level of skill and knowledge that is not available to third parties or the general public. Ensuring the appropriate updates and diagnostics are performed will allow the system to have reduced failovers and/or downtime.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. Although the Government is limiting competition as a result of specifying a brand name, there are multiple authorized resellers of the brand name services on the NASA SEWP IV GWAC. Additionally, this Justification and Approval and the Request for Quote (RFQ) will be submitted to all four (4) NASA SEWP IV GWAC groups in order to fully notify all interested parties. Any proposals received will be evaluated. Furthermore, in accordance with FAR 5.301 and 16.505(b)(2)(ii)(D)(1)(i), this action will be synopsisized at award on the Federal Business Opportunity Page (FBO) and the justification will be made publicly available on FedBizOpps.gov within fourteen (14) days after award in accordance with FAR 16.505(b)(2)(ii)(D)(1)(ii).

7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: Market research was conducted during January 2012 by researching internet sites and contacting vendors for information on servers, firmware and particularly the integration of "lights out" operation that allows remote control by system administrators to control and administrate the computer. Consistency and uniformity are critical in the VINCI computing process efforts. The results of the market research indicated that there are no other existing products available that ensure the form, fit, and function necessary to satisfy the Government's needs. Dell Inc. and IBM Corporation are the only other providers of similar products. Each has demonstrated that its computers and storage arrays are not interchangeable or compatible with the existing HP hardware and software in the VINCI program. Additional market research was conducted in February 2012 by the Technology Acquisition Center using the NASA SEWP IV GWAC Manufacturer Lookup tool. Thirty-nine (39) authorized resellers of the HP hardware were identified, of which two (2) are in Group B (Service-Disabled Veteran Owned Small Business (SDVOSB) and ten (10) in Group C (Small Business). Based on this market research, limited competition amongst HP's authorized resellers is anticipated.

9. Other Facts: Market research has indicated that only HP hardware can meet the Government's requirements. Additional market research has determined that limited competition is anticipated for the required brand name item and service. Failure to acquire the HP hardware would result in an inability to expand and update the VINCI

Justification and Approval For Exception to Fair Opportunity for Veterans Affairs
Informatics and Computing Infrastructure Program (VINCI) Control Number: 12-026

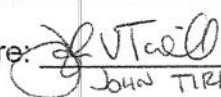
program which is critically needed to ensure the current infrastructure can accomodate current and future requirements.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Mark Cheshire

Date: 3/12/2012

IT Project Manager

Signature: 

JOHN TIRRELL FOR MARK CHESHIRE

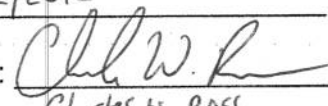
11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable. Contract prices awarded on NASA SEWP IV contracts have already been determined to be fair and reasonable. As there are multiple vendors on NASA SEWP IV GWAC, price competition is anticipated to secure discounts from existing contract prices. In addition, the lowest price quote that conforms to the solicitation requirements shall be compared to the Independent Government Cost Estimate.



Kevin Loesch

Date: 3/12/2012

Procuring Contracting Officer

Signature: 

Charles W. ROSS

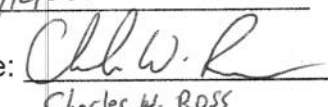
12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.



Kevin Loesch

Date: 3/12/2012

Procuring Contracting Officer

Signature: 

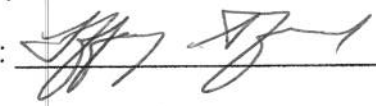
Charles W. ROSS

13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support other than full and open competition and deem it legally sufficient.

Tiffany Alford

Date: 3/12/12

Legal Counsel

Signature: 

Approval

As the Contracting Activity Competition Advocate and based on the foregoing justification, I hereby approve a Firm-Fixed-Price Delivery Order issued under the National Aeronautics and Space Administration Solutions for Enterprise-Wide Procurement IV Government-Wide Acquisition Contract, for Hewlett Packard brand name hardware needed for expansion of the existing network infrastructure used for the Veterans Administration Informatics and Computing Infrastructure program. Additionally, maintenance support is required for the hardware and software. This action will be issued as an exception to fair opportunity pursuant to FAR 16.505(b)(2)(i)(B), subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: 3/21/12

Signature: Wendy J. McCutcheon
Iris B. Cooper
Head of the Contracting Activity